Built a Railroad With Firearms

Dramatic Story of the Construction of $10,000,000 Worth of Property Out of Optimism and Nerve—Reads Like a Romance—Blizzards, Raids, Bankruptcy and Injunctions Failed to Deter Young Ashley.

BY MAUDE WOOD HENRY.

Back of the suit to set aside the sale of the Toledo & Ann Arbor railroad now pending in the United States court in Toledo, is a story, the dramatic story of the construction of $10,000,000 worth of property out of optimism and nerve. The Ann Arbor railroad was once but the impracticable vision of old Governor Ashley. It became a reality through the indomitable will, the energy and gigantic proportions of his son Jim. James M. Ashley, jr., stands six feet four in his stockings, and for fifteen years he has fought with his head and his hands for the development of a dream, until through him it has become one of the important factors of commerce. And now, whether the fruits of the labors of this Hercules will fall to him or another man, the courts are trying to decide.

In 1877, at the age of 60, old Governor Ashley found himself a bankrupt, one of the many wrecks of the great panic. He looked about him for a fresh start in life. On his way he fell in with Colonel Thomas A. Scott of Washington, and found him an interested listener.

Colonel Scott had been assistant secretary of war under Stanton, his duties being those of master of transportation during that tremendous conflict. He heard Ashley through patiently, declared that this was a great country—the greatest on earth—said that the period of shrinkage in values and lying dormant was about past, and that there would be more miles of railroad built in the next fifteen years than were then in operation in the United States. Scott then told Ashley that he thought he knew where he could get the rails and material for the road on credit, if he could raise the money for the remainder of the work. The cherubic countenance of Governor Ashley brightened amazingly, his spirits arose and he speedily retraced his steps to Boston, where, as the result of efforts extending over several months, he put up $250,000 out of $750,000 of bonds and gave a mortgage upon all of his property in Toledo, for which he received a loan of $114,000 for one year. With this small capital and the credit at his command, the road from Toledo to Ann Arbor was constructed and placed in operation in July, 1878. The means provided were, however, totally inadequate to meet the expenses, and the new road and its owners soon found themselves burdened with a heavy load of indebtedness, with earnings for the first six months amounting to scarcely $50,000. And every day they were going deeper and deeper into debt.

Gov. Ashley's Hornet's Nest.

About this time the great Michigan Central system passed into the hands of William H. Vanderbilt, owner of the New York Central, so that the little Ann Arbor was corked up at both ends by hostile influences. Ashley's rainbow colored visions were rapidly vanishing, but, summoning up his courage, he organized another road 100 miles long and issuing $2,500,000 of bonds and $2,500,000 of stock, he consolidated the forty-five miles already built with the 100 miles not constructed, and, getting introductions to bankers in New York who had begun to feel the confidence of better times, was able to borrow 50 cents on the dollar on the bonds. During the next two years he constructed the additional 100 miles of road.

The year previous the Michigan Central had caused to be repealed what had been known as the crossing laws of Michigan, by which one railroad was enabled to cross another. It was well known that Ashley was building this road wholly upon credit, and that he was largely in debt, and it was argued that if this construction could be delayed, his railroad would be bankrupt, and could be absorbed cheaply and readily by the stronger road.

Governor Ashley was in New York at this time, half distracted with the hornet's nest he had pulled about his ears. During his absence the tracks of the middle division of the 100 miles of road were approaching a junction near the village of Howell. Some $200,000 in local aid was conditioned upon the completion of the track laying and the running of a train over the road by Jan. 1, 1888. So, when the Ann Arbor tracklayers neared Howell, working from each end, in December, 1887, and were met with a refusal to cross and a show of force, backed by an array of injunctions, the situation looked rather desperate. Governor Ashley's oldest son, James M. Ashley, jr., then something over 20 years of age, was in charge of the road's construction, and realized how much the completion of this little 100 feet of track meant. He saw the $200,000 of local aid fading away in the distance, and he knew what a financial smashup was inevitable if both ends failed to meet at the close of this era of construction. But the first-born son of the visionary old governor was made of stern stuff; there were six feet and four inches of fight in him.

When the governor quaked at his desperate situation, young Ashley only ruffled up his brush of black hair and went to work. A little more than ten days remained for him to complete the track and earn the $200,000. Up at the north end of the road, in the lumber camps, he gathered together a band of 200 red-shirted desperadoes, and armed and disciplined them, as well as the few days' time permitted. Then he telegraphed to Toledo and raised an equal body from the tough element of that town. These were also armed with old muskets and bayonets, and on the night after Christmas the two bodies met at the railroad crossing near Howell. They proceeded at once to blast their way through the embankment on which the track of the other road was placed. If he could not legally pass over the Michigan Central tracks, he would dig a tunnel under them, and this he did. The tremendous concussions of the dynamite aroused the villagers in Howell, a mile away, and they quickly flocked to the scene. The night was clear, cold and crisp, and brilliant moonlight, and at midnight, as the two divisions of the road were joined, the scene was one not easily forgotten. Amid the tootings and shrill screechings of locomotive whistles, the explosion of dynamite cartridges and the hoarse cheering of a thousand men, young Ashley worked like a Trojan, shouting his directions to the mob, while he beat his hands together to keep them from freezing. That night a road train with a passenger coach attached passed over the track and the $200,000 was legally won. The Michigan Central railway was restored by the building of a substantial bridge over their tracks, and by noon Sunday, Ashley, jr., withdrew his forces, satisfied with his work. A few hours afterward three trains crowded with workmen descended upon the Ann Arbor track, tore up a mile of it, carried off the rails, demolished the trestles of the new bridge, filled up the gap through which the Ann Arbor road had run its first train and restored the Michigan Central track to its original foundation, thus effectually rending asunder the two divisions of the Ann Arbor road. This done, they threw out a strong armed guard to hold the crossing. These proceedings did not suit young Ashley. By midnight Sunday he had returned with his red-shirted fighters from the pine woods, and, forming a long, thin skirmish line, advanced through the deep snow, firing as he came on the guards, who stood but a few moments, answered with a handful of random shots, and, boarding the waiting trains, backed away down track.

It was then the Ann Arbor's turn. The Michigan Central tracks were torn up, enough rails taken to replace the stolen ones, the embankmnet was again blasted out, cars were tipped over and converted into breastworks, and by Monday morning young Ashley, the indomitable, was in complete armed and fortified possession of the battle ground. For four days and nights he stood off the officers of the law with their writs, until a judge friendly to the new road appeared on the scene, and then the writs began to fly more equally. The siege lasted for twelve days, through the bitterest cold and deepest snow known to that part of the country. During this time young Ashley worked and slept in his clothes, and was almost incessantly on hand, keeping a strict watch. The farmers of the countryside were in hearthy sympathy with the new road, and succored the Ashley forces bravely throughout the siege. They brought great tubs of hot coffee, whole boiled hams, huge pans of bread and mince pies enough to work destruction in even the iron-clad stomachs of the hardy woodsmen. At the end of twelve days the governor, railroad commissioner and United States marshal arrived on the scene, and with all the majesty of the law settled the dispute. They ordained that trains should run on both roads and that statu quo should be maintained until the courts could adjudicate the matter. Then they took young Ashley between them and marched him off to Detroit, under arrest for obstructing the United States mails. He was arraigned before the United States court by District Judge Brown (now on the supreme bench) and fined $162.50 and costs.

No Pay Roll For Six Months.

To illustrate the nerve and daring of these builders of the Ann Arbor railway, one could find a multitude of stories. For the history of this little road is a history of misfortune from start to finish; not only the misfortune that goes hand in hand with a dearth of money, but the misfortune of natural causes—cold winters, blizzards, commercial depressions and a multitude of other things.

The construction of the Cadillac division from Mt. Pleasant to Cadillac, a distance of sixty-five miles, was begun in May, 1887. Arrangements had been made with New York bankers by which $1,000,000 had been guaranteed, and $100,000 had been sent out to young Ashley for construction purposes. Three thousand men were gathered together and placed along the line in hastily constructed log huts, for the region was thinly populated by lumbermen only, and the road ran through a dense pine forest the whole distance. But no sooner were operations nicely commenced than a dispute arose in New York, suits against the elder Ashley were instituted by parties holding claims, and the entire issue of bonds which was to serve as collateral for the $1,000,000 in loans, was attached. Consequently no more money came from that source during the entire period of construction, which extended over six months. In the meantime some $500,000 of additional debt had been created and stoppage or suspension of the work even, meant ruin for the Ashleys and a receiver for the road. Young Ashley was acquainted with these facts about the 10th of August. He had less than $10,000 left in the bank, but the work was in full swing and his credit was unlimited. He promptly decided upon his course, purchased in Chicago, Detroit and Toledo carloads of provisions, thousands of dollars' worth of clothing, tobacco and all necessary supplies for feeding and caring for his 3,000 men, and with these in lieu of capital, completed the Cadillac division. There was no pay roll on the road for six months. When the monthly pay day came round Jim Ashley went out and addressed the men. They hailed from the pine woods, from jails and workhouses and city slums, and it took a clever man to handle them. They rioted among themselves and four or five were killed, but they believed in young Jim, their giant boss, and punctured the paymaster's photograph which he put up for them to shoot at, instead of him. "Stand by me and you will get your money," Jim would tell them—and they did.

At last the hopeful buoyancy of the old governor and the activity and courage of his son completed the railroad across the state to Frankfort on Lake Michigan, a total length of 325 miles. A survey of the situation when the road reached Frankfort showed $5,000,000 of bonds outstanding and $1,000,000 of floating debt. While the earnings had slowly crawled up to about $1,250,000 a year, the demands for equipment, and particularly the clamorous demands of the creditors, made a load that was ominous.

Making a Trunk Line.

About this time the health of the elder Ashley had failed and Jim had taken his place in New York as acting president and financial agent. When he discovered the situation of affairs, particularly as to the large floating debt, he resolved upon the extension of the railroad across Lake Michigan. Across seventy miles of Lake Michigan and its 800 feet depths of stormy waters existed a rich and tempting field of traffic, and it was necessary to secure this field in order to achieve success.

In February, 1892, he called a meeting of the board of directors and placed before them the elaborate details of his plans for the construction of giant transports able to transport entire trains of cars across the deep water navigation of the lake, something never before attempted, thereby raising the railway from the position of a local line to the power and dignity of a trunk line. The proposition was new and revolutionary. Some of the conservative directors resigned in alarm. The naval authorities at Washington and the lake marine authorities ridiculed the scheme and the marine insurance companies refused the offered risks. But the project was persisted in and contracts for the giant steamers were placed with the Craig Shipbuilding company of Toledo. They were successfully launched, and in December, 1892, entered into service. It was difficult to man them; crews deserted and the nerve of captains failed. The two harbors, Frankfort and Kewanee, had shallow entrances and were not safe to enter during storms. On the third trip out Ann Arbor No. 1 ran into one of the tremendous winter gales that sweep this stormy sea, and for three days the brave captain stood a few miles outside Frankfort harbor, unable to cross the shallow, seething bar. He faced and battled with a seventy-five mile an hour hurricane successfully—not a car moved, not one essential part of the great machine failed. This result proved the mechanical success of the plan. The insurance companies were anxious to insure; another naval review reversed the former decision and pronounced the enterprise practical. Traffic began to crowd the new route. Success appeared certain.

Then came the beginning of the great panic of 1893. McLeod's syndicate had been overthrown, the corlage broken, prices in Wall street began to fall rapidly, money became scarce, debts were pressing, creditors grew alarmed. Given inside information by an ex-director still in close social and political touch with the management, a powerful syndicate suddenly raided the securities of the Ann Arbor company—the stock was forced down by sales of four times the total issue, from 42 to 10 in one day—April 25, 1893. All loans, amounting to $2,000,000, were called. Defeated, penniless—for the younger Ashley had staked his last dollar upon success—father and son passed from the turmoil and conflict of fifteen years to the peace and rest that only defeat can know—in that single day. But the battle did not end here. And there is likely to be another chapter in the history of this railway, made famous by the courage and fighting ability of the Ashleys, and unique by an exhibition of the legal acquisition of $10,000,000 of property for nothing.

Not Dependent On Noah.

(Cleveland Plain Dealer.)

"I paid $1 for that dog."

"That seems a good deal for a dog like that."

"But the dog has a wonderful pedigree."

"How far back do they trace it? To the dog that Noah took on the ark?"

"This dog's ancestor didn't go on the ark."

"Why not?"

"He had a bark of his own."

Hair-raising feats by cowboys, LAGOON, Aug. 22, 23 and 24.

BUSINESS DIRECTORY.

Below will be found a number of known reliable firms, which The Herald recommends to its city and out-of-town readers.